

May 10, 2019

EDWARD J. EMMONS, CLERK  
U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

Signed and Filed: May 10, 2019

DENNIS MONTALI  
U.S. Bankruptcy Judge

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12  
 13 UNITED STATES BANKRUPTCY COURT  
 14 NORTHERN DISTRICT OF CALIFORNIA  
 15 SAN FRANCISCO DIVISION

16 **In re:**17 **PG&E CORPORATION**18 **-and-**19 **PACIFIC GAS AND ELECTRIC  
 COMPANY,**20 **Debtors.**

- 21  Affects PG&E Corporation
- 22  Affects Pacific Gas and Electric Company
- 23  Affects both Debtors

24 \*All papers shall be filed in the Lead Case,  
 No. 19-30088 (DM)

25 Bankruptcy Case  
 No. 19-30088 (DM)26 Chapter 11  
 (Lead Case)  
 (Jointly Administered)27  
 28 **ORDER APPROVING THE  
 APPLICATION OF THE OFFICIAL  
 COMMITTEE OF TORT CLAIMANTS  
 PURSUANT TO 11 U.S.C. § 1103 AND  
 FED. R. BANKR. P. 2014 AND 5002 TO  
 RETAIN AND EMPLOY LINCOLN  
 PARTNERS ADVISORS LLC AS A  
 FINANCIAL ADVISER EFFECTIVE AS  
 OF MARCH 1, 2019**

1       Upon the Application, dated March 29, 2019, (the “**Application**”),<sup>1</sup> of the Official  
2 Committee of Tort Claimants (the “**Committee**”) of PG&E Corporation and Pacific Gas and  
3 Electric Company (collectively the “**Debtors**”) for an order authorizing the Committee to retain  
4 and employ Lincoln Partners Advisors LLC (“**Lincoln**”) as financial advisor to the Committee,  
5 effective as of March 1, 2019, pursuant to section 1103(a) of title 11 of the United States Code  
6 (the “**Bankruptcy Code**”), and Rules 2014 and 5002 of the Federal Rules of Bankruptcy  
7 Procedure (the “**Bankruptcy Rules**”), and in accordance with the terms and conditions set forth  
8 in the engagement letter between the Committee and Lincoln dated March 1, 2019 (the  
9 “**Engagement Letter**”) as such was affixed to the Williams Declaration, and the Supplement to  
10 the Applications of the Official Committee of Tort Claimants to Retain and Employ Lincoln  
11 Partners Advisors LLC and Development Specialists, Inc. as its Financial Advisors, dated May 3,  
12 2019, (the “**Supplement**”), and this Court having jurisdiction to consider the Application and the  
13 relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, *Order Referring Bankruptcy Cases*  
14 and *Proceedings to Bankruptcy Judges*, General Order 24 (N.D. Cal.), and Rule 5011-1(a) of the  
15 Bankruptcy Local Rules for the United States District Court for the Northern District of California  
16 (the “**Bankruptcy Local Rules**”); and consideration of the Application and the requested relief  
17 being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court  
18 pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found and determined that notice  
19 of the Application as provided to the parties listed therein is reasonable and sufficient; and it  
20 appearing that no other or further notice need be provided; and this Court having reviewed the  
21 Application and the Williams Declaration; and it appearing that the relief requested in the  
22 Application is in the best interests of the Debtors, their estates, creditors, shareholders, and all  
23 parties in interest; and upon all of the proceedings had before this Court and after due deliberation  
24 and sufficient cause appearing therefor,

25       IT IS HEREBY ORDERED THAT:

26       1.       The Application is approved solely to the extent set forth herein.

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<sup>1</sup> Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Application.

1           2. The Committee is authorized, pursuant to section 1103 of the Bankruptcy Code and  
2 Bankruptcy Rules 2014(a) and 5002, to engage Lincoln as its financial advisor in these Cases,  
3 effective as of March 1, 2019. The terms of Lincoln's engagement, with the exception of Lincoln's  
4 compensation and reimbursement of expenses, will be pursuant to the terms of the Engagement  
5 Letter, which scope shall be amended as reflected in the Supplement.

6           3. Lincoln shall be compensated for fees and reimbursed for reasonable and necessary  
7 expenses and shall file monthly fee statements and interim and final fee applications for the  
8 allowance of compensation for services rendered and reimbursement of expenses incurred in  
9 accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the  
10 Bankruptcy Local Rules, the order entered by this Court on February 28, 2019 establishing the  
11 procedures for interim compensation and reimbursement of expenses of professionals [Doc. No.  
12 701], the *United States Bankruptcy Court Northern District of California Guidelines for  
Compensation and Expense Reimbursement of Professionals and Trustees*, effective February 19,  
13 2014, and the *U.S. Trustee Guidelines for Reviewing Applications for Compensation and  
Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11  
Cases*, effective November 1, 2013, and any other order of the Court.

17           4. In connection with any increases in Lincoln's rates, as set forth in paragraph 16 of  
18 the Application, Lincoln shall file a supplemental declaration with this Court and provide ten [10]  
19 business days' notice to the United States Trustee and the Debtors prior to filing a fee statement  
20 or fee application reflecting an increase in such rates. The supplemental declaration shall set forth  
21 the requested rate increases, explain the basis for the requested rate increases in accordance with  
22 section 330(a)(3)(F) of the Bankruptcy Code and certify that the Committee has consented to the  
23 requested rate increases. The United States Trustee retains all rights to object to any rate increase  
24 on all grounds including, but not limited to, the reasonableness standard provided for in section  
25 330 of the Bankruptcy Code, and all rates and rate increases are subject to review by the Court.

26           5. Notwithstanding anything to the contrary herein, the Office of the United States  
27 Trustee shall have the right to object to Lincoln's interim and final fee applications (including  
28

1 expense reimbursement) on all grounds, including the reasonableness standard provided in section  
2 330 of the Bankruptcy Code.

3 6. Notwithstanding anything to the contrary in the Application, any of its attachments,  
4 or the Engagement Letter, Lincoln shall not seek reimbursement of any fees or costs arising from  
5 the defense of any of Lincoln's monthly fee statements or fee applications in these Cases.  
6 Approval of the Application and any terms of the Engagement Agreement shall not alter the result  
7 dictated by the holding in Baker Botts L.L.P. v. ASARCO LLC, 135 S. Ct. 2158, 2169 (2015) and  
8 its construction of 11 U.S.C. § 330(a)(1).

9 7. The indemnification, exculpation, contribution, reimbursement and related  
10 provisions set forth in the Engagement Letter and Indemnification Letter are approved, subject  
11 during the pendency of these Cases to the following:

12 (a) Lincoln shall not be entitled to indemnification, contribution or  
13 reimbursement for services other than the services provided under the  
14 Engagement Letter, unless such services and the indemnification,  
15 contribution or reimbursement therefor are approved by the Court; and  
16 (b) notwithstanding any provisions of the Engagement Letter or  
17 Indemnification Letter to the contrary, the Debtors shall have no obligation  
18 to indemnify an Indemnified Person or provide contribution or  
19 reimbursement to an Indemnified Person (i) for any claim or expense that  
20 is judicially determined (the determination having become final) to have  
21 arisen from such Indemnified Person's bad faith, gross negligence, willful  
22 misconduct, or negligence (ii) for a contractual dispute in which the  
23 Committee alleges the breach of Lincoln's contractual obligations if the  
24 Court determines that indemnification, contribution, or reimbursement  
25 would not be permissible, or (iii) for any claim or expense that is settled  
26 prior to a judicial determination as to the exclusions set forth in clauses (i)  
27 and (ii) above, but determined by this Court, after notice and a hearing, to  
28 be a claim or expense for which such Indemnified Person should not receive

1 indemnity, contribution or reimbursement under the terms of the  
2 Engagement Letter and Indemnification Letter, as modified by this Order.

3 8. To the extent that there may be any inconsistency between the terms of the  
4 Application, the Engagement Letter and this Order, the terms of this Order shall govern.

5 9. Notwithstanding anything to the contrary in the Application, any of its attachments,  
6 or the Engagement Letter, Lincoln's allowed compensation shall have the same priority as the  
7 allowed professional fees and expenses of other professionals retained in the Cases.

8 10. The relief granted herein shall be binding upon any chapter 11 trustee appointed in  
9 the Cases, or upon any chapter 7 trustee appointed in the event of a subsequent conversion of the  
10 Cases to cases under chapter 7.

11 11. The Committee is authorized to take all steps necessary or appropriate to carry out  
12 this Order.

13 12. This Court shall retain jurisdiction to hear and determine all matters arising from  
14 or related to the implementation, interpretation, or enforcement of this Order. For the avoidance  
15 of doubt, notwithstanding any provision in the Engagement Letter to the contrary, during the  
16 pendency of these Cases, this Court shall have exclusive jurisdiction over the approval of fees due  
17 and owing to Lincoln for this retention.

18 \*\* END OF ORDER \*\*  
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